

Annual Report and Personal Property Return

STATE OF MARYLAND, DEPARTMENT OF ASSESSMENTS AND TAXATION, PERSONAL PROPERTY DIVISION
301 West Preston Street, Room 801, Baltimore, Maryland 21201-2395 • www.dat.maryland.gov • (410) 767-1170 • (888) 246-5941 within Maryland

2016

Form 1

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Date Received
by Department

CHECK
ONE

Type of Business	ID # Prefi	Filing Fee	Type of Business	ID # Prefi	Filing Fee
<input type="checkbox"/> Domestic Stock Corporation (D)		\$300	<input type="checkbox"/> Domestic Limited Liability Company (W)		\$300
<input type="checkbox"/> Foreign Stock Corporation (F)		\$300	<input type="checkbox"/> Foreign Limited Liability Company (Z)		\$300
<input type="checkbox"/> Domestic Non-Stock Corporation (D)		- 0 -	<input type="checkbox"/> Domestic Limited Partnership (M)		\$300
<input type="checkbox"/> Foreign Non-Stock Corporation (F)		- 0 -	<input type="checkbox"/> Foreign Limited Partnership (P)		\$300
<input type="checkbox"/> Foreign Insurance Corporation (F)		\$300	<input type="checkbox"/> Domestic Limited Liability Partnership (A)		\$300
<input type="checkbox"/> Foreign Interstate Corporation (F)		- 0 -	<input type="checkbox"/> Foreign Limited Liability Partnership (E)		\$300
<input type="checkbox"/> SDAT Certified Family Farm (A,D,M,W)		\$100	<input type="checkbox"/> Domestic Statutory Trust (B)		\$300
<input type="checkbox"/> Real Estate Investment Trust (D)		\$300	<input type="checkbox"/> Foreign Statutory Trust (S)		\$300

Name of Business

Mailing Address

Email Address

☐

Check here
if this is a
change of
address

DEPARTMENT ID NUMBER ID# <input type="text"/> PREFIX <input type="text"/>		FEDERAL EMPLOYER IDENTIFICATION NUMBER - <input type="text"/>	
DATE OF INCORPORATION OR FORMATION <input type="text"/>	STATE OF INCORPORATION OR FORMATION <input type="text"/>	FEDERAL PRINCIPAL BUSINESS CODE <input type="text"/>	
TRADING AS NAME <input type="text"/>			

SECTION I

- A. Is any business conducted in Maryland? _____ Date began: _____
(Yes or No)
- B. Nature of business conducted in Maryland: _____
- C. Does the business own, lease or use personal property located in Maryland? _____ If No, skip SECTION II.
(Yes or No)

ONLY CORPORATIONS COMPLETE ITEM D

D. Names and addresses of officers and names of directors (type or print):

OFFICERS	
Names	Addresses
President _____	_____
Vice-President _____	_____
Secretary _____	_____
Treasurer _____	_____

DIRECTORS	
Names	Names
_____	_____
_____	_____
_____	_____
_____	_____

ID # PREFIX
Type or Print Department ID Number Here

INCLUDE DEPARTMENT ID NUMBER ON CHECK
PLEASE STAPLE CHECK HERE

BUSINESS TANGIBLE PERSONAL PROPERTY LOCATED IN MARYLAND

EACH QUESTION MUST BE ANSWERED—SEE INSTRUCTIONS

ROUND CENTS TO THE NEAREST WHOLE DOLLAR

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Page 2 of 4**SECTION II**

A. IMPORTANT: Show exact location of all personal property owned and used in the State of Maryland, including county, town, and street address (PO Boxes are not acceptable). This assures proper distribution of assessments. If property is located in two or more jurisdictions, provide breakdown by locations by completing additional copies of Section II for each location.

(County)

(Address, Number and Street)

(Zip Code)

☐ **Check here if this location has changed from the prior year return.**

(Incorporated Town)

Is the property located inside the limits of an incorporated town?

(Yes or No)

Note: If all of the personal property of this business is located entirely in the following exempt counties: Dorchester, Frederick, Garrett, Kent, Queen Anne's, or Talbot, you may be eligible to skip the remainder of Section II. Refer to Specific Instructions, Section II, A for more information.

- ① **Furniture, fixtures, tools, machinery and equipment not used for manufacturing or research and development.** State the original cost of the property by year of acquisition and category of property as described in the Depreciation Rate Chart on page 4. **Include all fully depreciated property and property expensed under IRS rules.**

Columns B through G require an explanation of the type of property being reported. Use the lines provided below. If additional space is needed, provide a supplemental schedule. Failure to explain the type of property will result in the property being treated as Category A property (see instructions for example). **Refer to the Depreciation Rate Chart on page 4 for computer equipment rates for categories B and D.**

ORIGINAL COST BY YEAR OF ACQUISITION								
Year Acquired	A	SPECIAL DEPRECIATION RATES (SEE PAGE 4)						TOTAL COST
		B	C	D	E	F	G	
2015								
2014								
2013								
2012								
2011								
2010								
2009								
2008 & prior								
TOTAL COST COLUMNS A-G →								

DESCRIBE **B** through **G** PROPERTY HERE:

- ② **Commercial Inventory.** Furnish an average of 12 monthly inventory values taken in Maryland in prior year at cost or market value of merchandise and stock in trade. Include products manufactured by the business and held for retail sale and inventory held on consignment. (Do not include raw materials or supplies used in manufacturing.) Note: LIFO prohibited in computing inventory value.

Average Commercial Inventory

\$

Furnish from the latest Maryland Income Tax return:

Opening Inventory - date _____ amount \$ _____

Closing Inventory - date _____ amount \$ _____

Note: Businesses that need a Trader's License must report commercial inventory here.

- ③ **Supplies.** Furnish the average cost of consumable items not held for sale (e.g., contractor's supplies, office supplies, etc.).

Average Cost

\$

- ④ **Manufacturing/Research and Development (R&D) Inventory.** Furnish an average of 12 monthly inventory values taken in Maryland during prior year at cost or market value of raw materials, supplies, goods in process and finished products used in and resulting from manufacturing/R&D by the business. (Do not include manufactured products held for retail sale.)

Average Manufacturing/R&D Inventory

\$

Furnish from the latest Maryland Income Tax return:

Opening Inventory - date _____ amount \$ _____

Closing Inventory - date _____ amount \$ _____

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- ⑤ **Tools, machinery and equipment used for manufacturing or research and development:** State the original cost of the property by year of acquisition. Include all fully depreciated property and property expensed under IRS rules. If this business is engaged in manufacturing / R&D, and is claiming such an exemption for the first time, **a manufacturing / R&D exemption application must be submitted on or before September 1**, before an exemption can be granted. **See instruction 11 for exception.** Contact the Department or visit www.dat.maryland.gov for an application.

If the property is located in a taxable jurisdiction, a detailed schedule by depreciation category should be included to take advantage of higher depreciation allowances.

Year Acquired / Original Cost		Year Acquired / Original Cost	
2015		2011	
2014		2010	
2013		2009	
2012		2008 & prior	

TOTAL COST \$

- ⑥ **Vehicles with Interchangeable Registration** (dealer, recycler, finance company, **special mobile equipment**, and transporter plates) and unregistered vehicles should be reported here. See specific instructions.

Year Acquired / Original Cost		Year Acquired / Original Cost	
2015		2013	
2014		2012 & prior	

TOTAL COST \$

- ⑦ **Non-farming livestock** \$ _____ (Book Value) \$ _____ (Market Value)

- ⑧ **Other personal property** Total Cost
File separate schedule giving a description of property, original cost and the date of acquisition.

\$

- ⑨ **Property owned by others and used or held by the business** as lessee or otherwise. . . Total Cost
File separate schedule showing names and addresses of owners, lease number, description of property, installation date and separate cost in each case.

\$

- ⑩ **Property owned by the business but used or held by others** as lessee or otherwise. . . Total Cost
File separate schedule showing names and addresses of lessees, lease number, description of property, installation date and original cost by year of acquisition for each location. Schedule should group leases by county where the property is located. Manufacturer lessors should submit the retail selling price of the property not the manufacturing cost.

\$

SECTION III This Section must be completed.

- A. Total Gross Sales, or amount of business transacted during prior year in Maryland: \$ _____
If the business has sales in Maryland and does not report any personal property, explain how the business is conducted without personal property. If the business is using the personal property of another business, provide the name and address of that business.

- B. If the business operates on a fiscal year, state beginning and ending dates: _____

- C. If this is the business' first Maryland personal property return, state whether or not it succeeds an established business and give name: _____

- D. Does the business own any fully depreciated and/or expensed personal property located in Maryland? ☐ yes ☐ no
If yes, is that property reported on this return? ☐ yes ☐ no

- E. Does the submitted balance sheet or depreciation schedule reflect personal property located outside of Maryland? ☐ yes ☐ no
If yes, reconcile it with this return.

- F. Has the business disposed of assets or transferred assets in or out of Maryland during the prior year? ☐ yes ☐ no If yes, complete Form 4C (Disposal and Transfer Reconciliation).

• PLEASE READ "IMPORTANT REMINDERS" ON PAGE 4 BEFORE SIGNING •

I declare under the penalties of perjury, pursuant to Tax-Property Article 1-201 of the Annotated Code of Maryland, that this return, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete return.

NAME OF FIRM, OTHER THAN TAXPAYER, PREPARING THIS RETURN

PRINT OR TYPE NAME OF CORPORATE OFFICER OR PRINCIPAL OF OTHER ENTITY TITLE

X

SIGNATURE OF PREPARER

DATE

X

SIGNATURE OF CORPORATE OFFICER OR PRINCIPAL

DATE

PREPARER'S PHONE NUMBER

E-MAIL ADDRESS

BUSINESS PHONE NUMBER

E-MAIL ADDRESS

See top of page 4 for correct mailing address

MAILING INSTRUCTIONS

2016

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Use the address below for:

- initially filed returns.

State of Maryland
Department of Assessments & Taxation
Personal Property Division
PO Box 17052
Baltimore, Maryland 21297-1052

- Do not send Certified Mail to this PO Box.
See box at right.

Use the address below for:

- US Postal Service Certified Mail.
- all overnight delivery service mail.
- amended returns, correspondence, appeals, applications, etc.
- late filing penalty payments.

State of Maryland
Department of Assessments & Taxation
Personal Property Division
301 W Preston St
Baltimore, Maryland 21201-2395

IMPORTANT REMINDERS

- Rules for personal property extensions:
Internet extension requests are due by April 15th and are free of charge.
Paper extension requests are due on or before March 16th and require a \$20 processing fee for each entity.
- The annual report filing fee is \$300 for most legal entities. Be sure to enclose the correct fee with the Form 1.
- Manufacturing/R&D application deadline is September 1st. Exception for tax years beginning after June 30, 2009 - an exemption application may be filed within 6 months after the date of the first assessment notice for the taxable year that includes the manufacturing personal property. See instruction 11 for more information. A manufacturing exemption cannot be granted unless a timely application is filed. Once filed, no additional applications are required in subsequent years.
- Entities requesting a revised assessment due to other **missed exemptions** (vehicles, software, charitable organizations, etc.) must file that request within three years of the April 15th date the return was originally due.
- Do not prepay late filing penalties or pay personal property taxes to this Department.
- Business entities that require a Trader's License must report commercial inventory on line item ②.
- This return must be accompanied by Form 4A (Balance Sheet) or latest available balance sheet, and Form 4B (Depreciation Schedule), unless the business does not own any personal property in Maryland. All information on pages 2 and 3 of this report and supporting schedules are held confidential by the Department and are not available for public inspection. Page 1 is public record (Tax-Property Article 2-212).
- If you discontinued business prior to January 1, notify the Department immediately, stating to whom and the date all personal property was sold. If the business is sold on or after January 1 and before July 1, submit statement of sale, including value of personal property, date of sale, name and address of the buyer on or before October 1.
- To ensure proper posting to your account, please include your Department ID number on your return and in all communications with the Department.
- This return must be signed by an officer or principal of the business.
- Make check for filing fee payable to Department of Assessments and Taxation. Place the Department ID number on the check.
- Place the Department ID number on page 1.

LATE FILING PENALTY

DO NOT PAY PENALTIES AT TIME OF FILING RETURN

- A business which files an annual return postmarked after the due date of April 15th will receive an initial penalty of 1/10 of one percent of the county assessment, plus interest at the rate of two percent of the initial penalty amount for each 30 days or part thereof that the return is late.
- Businesses which fail to file this report will receive estimated assessments which will be twice the estimated value of the personal property owned.

DEPRECIATION RATE CHART FOR 2015 RETURNS

STANDARD DEPRECIATION RATE

Category A: 10% per annum*

All property not specifically listed below.

SPECIAL DEPRECIATION RATES (The rates below apply only to the items specifically listed. Use Category A for other assets.)

Category B: 20% per annum*

Mainframe computers originally costing \$500,000 or more.

Category C: 20% per annum*

Autos (unlicensed), bowling alley equipment, brain scanners, carwash equipment, contractor's heavy equipment (tractors, bulldozers), fax machines, hotel, motel, hospital and nursing home furniture and fixtures (room and lobby), MRI equipment, mobile telephones, model home furnishings, music boxes, outdoor Christmas decorations, outdoor theatre equipment, photocopy equipment, radio and T.V. transmitting equipment, rental pagers, rental soda fountain equipment, self-service laundry equipment, stevedore equipment, theatre seats, trucks (unlicensed), vending machines, x-ray equipment.

Category D: 30% per annum**

Data processing equipment, canned software.

Category E: 33 1/3% per annum*

Blinds, carpets, drapes, shades. The following applies to equipment rental companies only: rental stereo and radio equipment, rental televisions, rental video cassette recorders and rental DVDs and video tapes.

Category F: 50% per annum*

Pinball machines, rental tuxedos, rental uniforms, video games.

Category G: 5% per annum*

Boats, ships, vessels, (over 100 feet).

Long-lived assets

Property determined by the Department to have an expected life in excess of 10 years at the time of acquisition shall be depreciated at an annual rate as determined by the Department.

* Subject to a minimum assessment of 25% of the original cost.

** Subject to a minimum assessment of 10% of the original cost.

DATE OF ASSESSMENT NOTIFICATION

OFFICE USE ONLY

